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**STATEMENT OF U. S. ATTORNEY JOHN BROWNLEE  
ON THE FEDERAL INVESTIGATION OF  
PERRY MORRISON BEALE**

Thursday, July 22, 2004

Good afternoon and thank you for being here today. I am pleased to be joined today by members of law enforcement and representatives from the United States Food and Drug Administration and the United States Nuclear Regulatory Commission. From the FDA, Assistant Special Agent in Charge Harry Humbert and Senior Special Agent Marc Griswold, both from the Office of Criminal Investigations Metro Washington Field Office. Also representing the FDA is Consumer Safety Officer Beth Laudig from the FDA Baltimore District Office. I am pleased to be joined by Dr. Charles Finder of the FDA who will speak to you on this case in a moment. From the NRC, I am joined by Tom Decker, Chief of the Nuclear Materials and Safety Division and Special Agent Vanessa Selewski of the NRC's Office of Investigations.

This morning I filed a criminal Information in United States District Court for Western District of Virginia charging Perry M. Beale, of Fredericksburg, Virginia, with 38 counts of mail fraud for falsely and fraudulently portraying himself as a Medical Physicist and Radiation Safety Officer qualified to inspect and service mammography equipment and other medical facilities using radioactive materials. Since before 1990, Perry Beale was

employed as a radiation physicist at over 50 medical facilities in Virginia, Maryland, Pennsylvania, North Carolina, West Virginia, and the District of Columbia. Mr. Beale was certified by various state agencies as a medical physicist and radiation safety officer and was an adjunct faculty member in Radiation Physics at Prince George's Community College in Maryland. The evidence has established that Beale secured these positions based on professional and academic credentials which have now been determined to be falsified.

Mr. Beale has turned himself in to federal authorities this morning and has been released by the Court on a \$25,000 bond. Mr. Beale waived his right to a Grand Jury and informed the judge in open court that he intends to plead guilty to all 38 counts charged by the United States.

The Food and Drug Administration, United States Department of Health and Human Services, is an agency of the United States charged with protecting the health and safety of the American public by assuring, among other things, that mammography equipment and testing is properly certified and adheres to high quality standards to assure safe, reliable, and accurate mammography on a nationwide level. The FDA understands the importance of effective and accurate mammography and its role in our nation's efforts to quickly detect and ultimately cure breast cancer. The FDA is a strong force in the fight against breast cancer, and I greatly appreciate the FDA's efforts in this case and their commitment to eradicating breast cancer.

The United States Nuclear Regulatory Commission is responsible for protecting the public health and safety by licensing and inspecting medical facilities that use radioactive

materials. Hospitals throughout the United States maintain nuclear medicine departments that provide diagnostic services to patients. Much of the diagnostic testing performed by nuclear medicine departments require the use of radioactive material. Like the FDA for mammography equipment, the NRC regulates the use of radioactive material and mandates that hospitals conduct routine testing and inspections of their equipment used by the nuclear medicine departments.

The NRC understands the importance of nuclear medicine departments to the future of medicine and the health of all Americans. I want to thank the men and women NRC and FDA for their professionalism and commitment to the health and safety of all Americans.

In 1988, Perry Beale began working as an apprentice to a medical physicist and radiation safety officer in Maryland. A medical physicist is a person who has been certified to inspect mammography equipment. The FDA mandates that the inspections of mammography equipment be performed by a certified medical physicist at least annually and submitted for review by the agency. A radiation safety officer serves as a qualified inspector for NRC regulated facilities. Like the FDA, the NRC has established certain requirements for equipment inspections and reporting. The American Board of Radiology is a body determined by FDA and NRC to have procedures and requirements in place to ensure that medical physicists and RSOs are certified and competent to perform physics surveys.

Around 1990, Beale's mentor died. Rather than returning to school and obtaining the required educational requirements, Beale falsified his resume and transcripts and held himself out as a certified medical physicist. Since the early 1990s, Beale has worked in

medical facilities ranging from small physicians offices to large university medical institutions and government entities. Some of the more well known facilities that Beale conducted inspections at include Warren Memorial Hospital in Luray, Virginia, The George Washington University Medical Center, Georgetown University Radiology Associates in Washington, DC, and the Central Intelligence Agency Office of Medical Services in Langley, Virginia.

The investigation has determined that Beale falsified his credentials and was never qualified or certified to inspect mammogram machines or the NRC regulated equipment. Regarding his falsification of professional and academic credentials, the investigation determined that Beale altered his college transcript to show that he took science and physics courses that he did not take as well inflating his grades to reflect higher scores. Beale also submitted documentation indicating that he had obtained a Master of Science degree from the University of Virginia, when in fact he never took any graduate level courses from UVA or any other institution.

Beale also submitted an American Board of Radiology certificate indicating that he was certified in radiation physics. The investigation showed that Beale had taken a genuine ABR certificate, "whited out" the true name, and then had his own name added onto the certificate making it a fraudulent document.

The investigation also determined that Beale purportedly conducted inspections of various types of radiological medical devices to include x-ray machines, fluoroscopy machines, nuclear medicine devices, and mammography machines. Additionally, he

inspected sealed sources of radioactive material used to calibrate nuclear medicine devices.

Highlights of Beale's criminal conduct as shown by the investigation include the following:

1. Beale certified a fluoroscopy machine at Warren Memorial Hospital, Front Royal, VA, as being fully operational when in fact it had been taken out of service and used for spare parts a year prior.

2. Beale certified various sealed sources of radiation at City Hospital, Martinsburg, WV, as being present and accounted for when in fact they had been properly disposed of years prior. Although all radioactive materials were eventually accounted for by the hospital, Beale's criminal conduct was of particular importance because the accurate accountability of the radioactive material is very important.

3. Beale calculated radioactive xenon gas clearance rates at various hospitals in Virginia and West Virginia and reported his results. An astute NRC inspector noticed that these clearance rates did not vary even though many of the rooms inspected by Beale varied widely in size. When confronted with this fact, Beale admitted that he had no idea how to calculate these clearance rates and that he simply "guessed."

4. Regarding the inspections of mammogram machines and other inspections, Beale admitted that on many occasions he never actually did the inspection. He admitted that he would produce the inspection reports from his house without visiting the facility, report a passing score, and insert calculation values that were within the normal passing parameters. Beale further admitted that during the inspections that he actually performed, if the facility

generally "looked okay", he would give them a passing score without conducting a full and thorough inspection as he was paid and trusted to do.

For nearly 15 years, Perry Beale convinced federal and state agencies and more than 50 hospitals and medical facilities in 5 states and the District of Columbia that he was a certified medical physicist and radiation safety officer who was qualified to inspect and certify mammography equipment and nuclear medicine equipment for safety and accuracy. We now know that Perry Beale was a fraud. Beale was never certified to conduct the required inspections, and he falsified his qualifications to be a medical physicist and RSO. More troubling, Beale, on many occasions, never looked at the equipment and simply falsified the equipment inspection reports.

Beale's fraudulent and reckless conduct jeopardized the health and safety of thousands of patients who received mammograms and other medical tests from equipment he purportedly inspected. His complete disregard for the safety and health of these patients is a criminal act that must be prosecuted and punished.

I want to thank the great work of Special Agents Griswold and Selewski for their hard work and dedication. This type of criminal conduct and fraud upon the public will never be tolerated, and I am grateful to the agents for rooting it out and bringing this defendant to justice.

I would now like to introduce Dr. Charles Finder from the FDA for his remarks on the investigation.

